



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

S/027/024

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August 13, 2001

David Penney
Box 312
Beaver, Utah 84713

Re: Receipt of Permit Fee for New Small Mining Projects, Fantasy Land Jasper (S/027/096), Millard County, Sliver 3-4 (S/001/057), and File Status Change of Lost Gems #1 from Exploration Project to Small Mining Project (S/001/056), Beaver County, Utah

Dear Mr. Penney:

We have received your \$800.00 check for the 2001-2002 permit fees. Thank you for your timeliness in responding. You submitted \$200.00 each for the Little Spot and the Sliver 1-4 small mining projects. We have, therefore, created two new files and assigned new file numbers to the two new notices. Please take note that the Little Spot (current file number S/027/024) has been separated into two files. *The new file is called Fantasy Land Jasper and has been assigned file number (S/027/096).*

The Sliver 1-4 has been broken out into Sliver 1-2 and Sliver 3-4. Please take note we have assigned *a new file number (S/001/057) to the Sliver 3-4 project*. The Sliver 1-2 file number will remain the same (S/001/035).

We will also change the Lost Gems #1 exploration project (E/001/140) to a small mining project, as we discussed. Please take note a *new file number (S/001/056) has been assigned to the Lost Gems #1 small mine project. We will close and retire the Lost Gems #1 exploration file (E/001/140)*. The permit fee will be credited toward the new small mine project file. If you wish to reclaim the Lost Gems #1 site, please contact Larry Garahana of the BLM for instructions on reclamation of this disturbance.

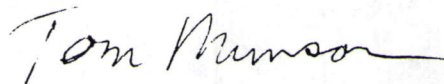
We will need you to complete a new small mine notice application for each of these three projects. I have taken the liberty of partially completing the three applications for your signature. Please check the applications and the attached maps for accuracy and completeness. Any areas highlighted in yellow in the applications may need additional information or checked for completeness. The northern Sliver project (Sliver 3-4) is located on BLM land. According to

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the BLM, the southern project (Sliver 1-2) is located on patented Independence lode claim, MS6299. **Please inform us if this land ownership is correct.** When the applications are complete, please sign them and return to me for processing. Please return the completed applications within the next 10 days.

If you have any questions or concerns regarding this letter or the applications, please contact me at (801) 538-5321. Thank you for your immediate attention to these permitting issues.

Sincerely,

A handwritten signature in black ink that reads "Tom Munson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Tom Munson
Senior Reclamation Specialist

jb
Enclosures: 3 SMO applications (partially completed)
cc: Larry Garahana, BLM, Fillmore FO
Ed Ginouves, BLM, Cedar City FO
Files: S/001/035, S/027/024, E/001/140
Penney-ltr.doc